

## NATIONAL MOTORISTS ASSOCIATION

## **Empowering Drivers Since 1982**

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## Testimony for the Michigan House Competitiveness Committee On House Bills 5040 through 5046, October 11, 2017

Mr. Chairman and members of the committee, thanks for the opportunity for the National Motorists Association (NMA) to testify in support of these bills to eliminate all the remaining parts of the disastrous Driver Responsibility Act (DRA) that should never have become Public Act 165 of 2003.

The NMA testified against this bad law in 2003, citing many negatives experienced in New Jersey and other states, but our warnings were not heeded. We were sure that the DRA would ultimately have to end; it was a question of how long it would take, how many people would be hurt, and how much damage would be done.

When the Senate committee reported out SB509, Senator Burton Leland quietly said: "another victory for white people", meaning the burdens would fall heavily on minorities in our big cities and that became true. What was poorly understood was the burdens fell equally heavily on people of all races living in rural areas and small towns with no public transit where a car is absolutely necessary for work, and for many people where a car is necessary to even buy food.

The fact the negatives outweighed the positives has been well known since the first hearing on the results of this wrongful law held on December 13, 2006 before a Driver Responsibility Subcommittee of the House Transportation Committee, chaired by Representative Pearce. Four judges, the NMA and many citizens testified to the terrible consequences of the Act and pleaded for full repeal. Representative Pearce apologized "for creating a monster we need to fix". Representative Casperson said "I apologize for what the legislature has done". Several officials then and since have likened the effects of the Act to that of putting people into a Debtors' Prison.

We testified the New Jersey Institute for Social Justice created a 49 page how-to manual for social workers to advise them how to help people recover their licenses and return to the work force. The New Jersey Affordability and Fairness Task Force delivered a report to NJ Governor Corzine detailing the negative impact the loss of a drivers license has on families, labor markets, the economy, social welfare services and society.

In 2007 the State of Virginia passed a Civil Remedial Fees law, similar to our Driver Responsibility Act. The immediate and overwhelming backlash caused the Virginia legislature to wisely repeal the law and give full refunds to the small number of people that had been affected. Michigan was not so wise.

A Senate analysis in 2008 showed that serious offenses were up since the DRA was enacted, not down as the bill sponsors inaccurately promised would happen. The DRA was always about money, not safety.

The NMA, several judges, and many officials have testified in at least six public hearings plus other forums on the Act asking for total repeal and forgiveness of all the outstanding debts. We all know most of these debts will never be paid because the people are too poor to ever pay them, so carrying the debts on the books as a collectible asset is completely unrealistic. Some parts of the law were made less damaging over the years and in 2014 a phased sunset of the law passed, but without forgiveness of all the debts.

In 2009, the House overwhelmingly passed a near total repeal of the DRA, but the Senate failed to act at all. Collecting up to half of the assessed fees each year has trumped fairness and justice for over a decade.

Our Secretary of State Ruth Johnson has been against the law since before it was passed.

The state's business community has realized the damage that this law is doing to the state's economy. Over 300,000 people, mostly of productive age, have been essentially taken out of the state's labor force because they have no legal way to travel to participate in the money economy. These bills will help the recovery of our Michigan economy, and will have a positive dynamic effect on the state budget.

Finally, almost eleven years after that 2006 hearing where the disasters of the Act became clear, we have sets of bills in the House and Senate to accomplish a total repeal and forgiveness of all the outstanding debts. We urge the legislature to resist watering down these bills or taking any part-way measures. The entire DRA needs to end and all the outstanding debts must be totally forgiven so the people who owe these huge debts can rejoin our normal society and become contributing members again.

The National Motorists Association urges that these House bills be rapidly reported out and passed without amendment, to become law to totally end the fourteen year tragedy of the Driver Responsibility Act.

Thank you and I would be happy to answer any questions.

Respectfully submitted,

James C. Walker for the National Motorists Association